

**MINUTES OF THE
UTAH STATE RETIREMENT BOARD
ADMINISTRATIVE BOARD MEETING
January 15, 2026, 1:00 p.m.
540 Board Room, Retirement Office
540 East 200 South, Salt Lake City, Utah**

Hybrid Meeting

Board Members Attending In-Person:

Mr. Marlo Oaks, Board President
Ms. Aaryn Birchell, Board Member
Mr. Richard Ellis, Board Member
Mr. Larry Evans, Board Member
Ms. Laura Warnock, Board Member
Mr. Karl Wilson, Board Member

Board Members Attending Virtually:

Ms. Christie Behunin, Board Vice President

Staff Attending In-Person:

Mr. Dan Andersen, Executive Director
Mr. Rob Dolphin, Chief Financial Officer
Mr. Dee Larsen, General Counsel
Mr. Chet Loftis, PEHP Director
Ms. Stacie Petersen, Executive Assistant
Mr. Kendall Rima, Managing Director – Retirement

Staff Attending Virtually:

Mr. Dave Bjarnason, Chief Compliance Officer – Investments

Call to Order

President Marlo Oaks called the meeting to order at 1:02 p.m. and welcomed Board members and staff.

Approval of Minutes

ACTION: Mr. Richard Ellis moved, seconded by Ms. Aaryn Birchell, to approve the minutes of the December 11, 2025, Administrative Board Meeting. The motion passed unanimously, 7-0.

ACTION: Mr. Larry Evans moved, seconded by Ms. Laura Warnock, to approve the minutes of the December 11, 2025, Investment Board Meeting. The motion passed unanimously, 7-0.

New Employer – Fruitland Special Service District

Mr. Dan Andersen reviewed the application for Fruitland Special Service District to participate in the Public Employees' Retirement System. All eligibility requirements have been met, and approval of the application was recommended.

ACTION: Ms. Aaryn Birchell moved, seconded by Mr. Karl Wilson, to approve Fruitland Special Service District as a participating employer in the Public Employees' Retirement System. The motion passed unanimously, 7-0.

Budget Review

Mr. Rob Dolphin reviewed the mid-year budget for FY 2026, including the following items:

- Executive Summary
- Projected Expenditures 25-26 Year
- Mid-Year Spending Trends
- Budget Mid-Year Comparison
- Mid-Year Division Cost Overview
- Mid-Year Staffing & Compensation Overview
- Projected Salary & Benefit Savings
- Expense Forecast & Key Savings Drivers
- Historical Admin Expenditures Combined URS/PEHP
- FTEs Combined URS/PEHP
- Investing in our Team
- HealthEdge Budget and Expenses
- AUREUS Budget and Projected Expenses
- URS/PEHP Capital Budgets
- Building Operations

January PEHP Rate Renewals

Mr. Chet Loftis reviewed the PEHP Rate Renewal for administration and reinsurance fees for the Canyons School District, effective January 1, 2026.

ACTION: Ms. Aaryn Birchell moved, seconded by Ms. Christie Behunin, to ratify the PEHP rate renewal effective January 1, 2026, for the Canyons School District of \$102.82 PEPM. The motion passed unanimously, 7-0.

PEHP Annual Administrative Fee Adjustment

Mr. Chet Loftis presented, and Mr. Rob Dolphin provided additional information regarding the request to increase the PEHP administrative fee by 3.5% beginning July 1, 2026.

ACTION: Ms. Aaryn Birchell moved, seconded by Mr. Karl Wilson, to approve a 3.5% PEHP Administrative Fee increase for all lines of business beginning July 1, 2026. The motion passed unanimously, 7-0.

URS Employees Retiree Health Care Plan (OPEB) Actuarial Valuation Report

Mr. Rob Dolphin reviewed the OPEB Actuarial Valuation Report as of January 1, 2025, including the following items:

- Summary of Benefits
- Summary of Liability and Funded Ratio
- Increase in the Funded Ratio
- Actuarial Assumptions
- Sensitivity Analysis
- Funded Ratios
- Summary of Projected Benefit Payments
- Summary of Active Members
- Summary of Retired Members

ACTION: Mr. Richard Ellis moved, seconded by Mr. Karl Wilson, to approve the GRS Actuarial Valuation Report and information contained therein. The motion passed unanimously, 7-0.

Legislative Overview

Mr. Dee Larsen gave an overview of the upcoming 2026 legislative session, which runs from January 20 through March 6, including SB0025 "Retirement Modifications" which is the annual administrative and technical amendments to Title 49. There are currently 444 numbered bills and resolutions.

Nationally some are pushing to phase out DB pension plans, and some legislators are proposing now to change the Tier 2 retirement default to the 401(k) only savings plan instead of the hybrid pension system. We are asking that this issue should be studied in the 2026 Interim due to its significant policy and financial implications.

One new issue is that the state is beginning to experience the effects of the recent federal tax legislation, including the removal of some overtime and tips from taxable income, which has created a \$300 million budget shortfall at the state level. In response, officials are being asked to propose budget cuts to address these fiscal challenges.

Final Motions/Other Business

Mr. Larry Evans announced he is running for Utah County Commissioner.

Adjournment

Mr. Larry Evans moved, seconded by Ms. Aaryn Birchell, to adjourn the meeting. The motion passed unanimously, 7-0.

The meeting adjourned at 2:29 p.m.

Marlo M. Oaks, President

Daniel D. Andersen, Executive Director